



WHITE GOLD VENTURES, LTD.

REPORT ON PLACER CLAIMS

ANNE 1 TO 51

BLACK HILLS CREEK

SOUTH KLONDIKE REGION, YUKON

DAWSON MINING DISTRICT

GEOGRAPHIC COORDINATES

63° 20' N

138° 46' W

NTS Sheet 115-0/7

ANNE 1 - 50 (P20439 - P20488)

ANNE 51 (P20501)

GROUPING CERTIFICATE NO. DP01587

120142

by

JOHN W.S. ROEDER  
INTEREX DEVELOPMENT CORP.  
1003 - 470 Granville Street  
Vancouver, B.C.  
V6C 1V5

July 12, 1991



This report has been examined by  
the Geological Evaluation Unit under  
Section 41 Yukon Placer Mining Act  
and is recommended as allowable  
representation work in the amount  
of \$ 21,925.34.....

*Robert Debluk*

*for*. Chief Geologist, Exploration and  
Geological Services Division, Northern  
Affairs Program for Commissioner of  
Yukon Territory.

211051



## TABLE OF CONTENTS

	Page
1. Introduction	1
2. Summary	1
3. Conclusions	1
4. Recommendations	2
5. Property	2
6. Location	3
7. Access	3
8. Infrastructure	4
9. Topography	4
10. Geology	4
11. History	5
12. 1990 Testing Program	5
a) Locations of Test Pits	6
b) Testing Procedures	6
1) Test Pits and Sampling	6
2) Sample Reduction	6
3) Assaying of Concentrates	7
c) Results	7
Table 1	8
References	10
Statement of Costs	11
List of employees	12
Author's statement of Qualifications	13
Panner's Statement of Qualifications	14
Assay Report	15

## 1. INTRODUCTION

This report describes the testing program conducted on the Anne claims, owned by White Gold Ventures, Ltd. of Edmonton, Alberta, on Black Hills Creek in the Yukon. The program was conducted between August 13, 1990 and September 15, 1990 to follow-up on previous drilling and geophysics to locate and determine the grade of buried placer gravels. Some of the background information in this report was taken from reports of L.B. Halferdahl, M.A. Power and Ace R. Parker.

## 2. SUMMARY

A program of sampling and testing for free gold was performed on 56 test pits of the Black Hills Creek Property of White Gold Ventures, Ltd. The pits were excavated on the Anne claim over five different locations covering three miles of Black Hills Creek. The pits were mostly 15 feet deep with one sample taken per pit. Some pits did not reach placer gravel and no sample was taken. All samples taken were shown to have sub-economic gold values.

## 3. CONCLUSIONS

Although the 1990 testing program was unable to establish any reserves of economic placer gravels, 56 test pits were not sufficient to completely test a property as large as the Anne claims. At a price of gold of U.S. \$360/oz, the highest value was U.S. \$1.03/ton with most of the samples running less than \$.10/ton. The particles of gold recovered were fairly fine and of varying color and shape. Some sulphides were found in two samples. Surprisingly low values were found in the area of drill lines 13A and 3. There may have been better values, however, at a lower depth than 15 feet.

#### 4. RECOMMENDATIONS

Considering the poor results of this program and the high costs and difficult access associated with working on Black Hills Creek, it is recommended that White Gold Ventures, Ltd. not conduct any testing program unless the cost of further testing could be substantially reduced. Most of the cost incurred in the 1990 testing program was attributed to building a road into the property. Approximately 12 km of winter road had to be improved to make it passable by 4-wheel drive vehicles. Heavy rain in September 1990 washed out a bridge and several culverts. Many section of the road are impassable and require considerable work, including replacement of bridges and culverts. If the road was improved in the future and a larger backhoe was available in the area, it would then be worth doing more testing in the area of drill hole line 13A.

#### 5. PROPERTY

The Black Hills Creek Property consists of 51 adjoining placer claims along the lower part of Black Hills Creek:

<u>Claim</u>	<u>Grant Number</u>	<u>Expires</u>
Anne 1 - 50	P20439 - P20488	January 31, 1992
Anne 51	P20501	January 31, 1992

The property is owned by White Gold Ventures, Ltd. of Edmonton, Alberta. Each claim measures 500 feet along the creek baseline and extends 1,000 feet up each valley side, so each claim measures 500 feet by 2,000 feet, unless modified by bends in the baseline. The Anne claims were staked out of placer lease 5040 in 1982. Each claim requires \$200 of acceptable assessment work each year. These claims have been grouped for the purposes of assessment work under Certificate DPO 1587 effective June 14, 1989.

Enough assessment work was done in August and September of 1990 to extend the expiry date of all claims to January 31, 1993, however, the claims have only been renewed until January 31, 1992. A further renewal application and the associated fee of \$10 per claim will need to be completed by January 31, 1992 to renew the claims for an additional year.

## 6. LOCATION

The Black Hills Creek Property is located approximately 90 km southeast of Dawson City, Yukon Territory ( $63^{\circ} 20' N / 138^{\circ} 46' W$ ) (Figure 1). The claims extend about 7.8 km along the lower part of Black Hills Creek, starting about 6 km above its confluence with the Stewart River.

## 7. ACCESS

The property is approximately 125 km by road from Dawson City. The route extends from Dawson City 14 km to the Hunter Creek Road via the Klondike Highway, to Granville via the Hunter and Sulphur Creek Roads and to the Queenstake Resources Camp on Black Hills Creek via the Indian River Road and a road commencing at Eureka Creek. From the Queenstake Resources Camp, a winter road extends south directly through the property to the mouth of Black Hills Creek at the Stewart River.

The road is passable for  $2\frac{1}{2}$  km south of Queenstake's Camp. From this point the road is soft and swampy in many areas and crosses about 12 creeks as well as Black Hills Creek itself. During the 1990 test program, small culverts were placed in most creeks and a bridge built at the Black Hills creek crossing. The road was passable by 4-wheel drive pick-up to Anne 51 at the north end of the property. Only the dozer/backhoe and 4-wheel Honda were taken south of this point. After heavy rain in September 1990 and spring run-off in 1991, considerable work will need to be done to rebuild the road.

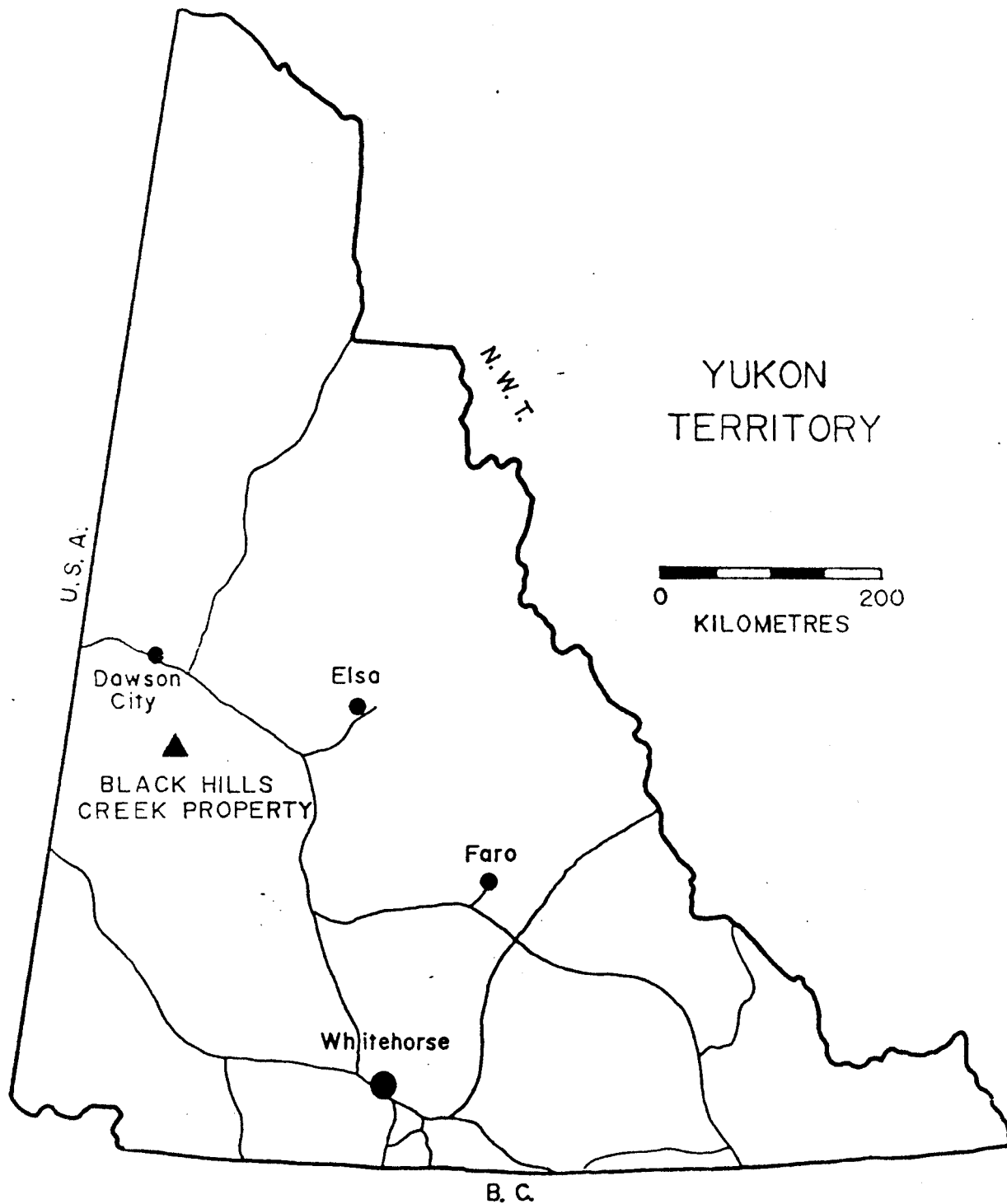


Fig. 1 Property Location

## 8. INFRASTRUCTURE

Fuel, supplies and services are available in Dawson City. Queenstake's camp on Black Hills Creek has been closed and mostly taken down and removed in the spring of 1990. However, there are other mining operations on Black Hills Creek and other creeks nearby. In 1990 a 14'x16' floor and tent frame was constructed next to the bridge at the Black Hills Creek crossing on Queenstake's property. This tent and one other tent were used as the camp for the 1990 program.

A small wood frame cabin is located on or near Anne 29. Also, two large fuel tanks are located near this cabin.

## 9. TOPOGRAPHY

The elevation of Black Hills Creek on the Anne claims is between 410 m and 470 m. The valley sides range from relatively flat at the confluence of small feeder creeks to very steep on the east side to benches of several elevations on the west side.

Black Hills Creek is 10 to 20 feet wide and 1 to 5 feet deep. The valley floor is mostly muskeg with sparse spruce and poplar.

## 10. GEOLOGY

The only mapping of this area was done by H.S. Bostock (1942). The geological map (scale 1:253,440) shows the Black Hills Creek area to consist of gneiss, quartzite, schist and slate with areas of limestone. Very few outcrops exist, making the area difficult to map.



Placer gold is found in gravels overlain by silt, clay and black muck. The mining done by Queenstake has shown better gold values in the bench gravels than in the recent creek bottom gravels.

## 11. HISTORY

Placer mining has been conducted on Black Hills Creek since the early 1900's. In 1935, Yukon Consolidated Gold Corporation (YCGC) optioned most of the Black Hills Creek above the area of the Anne claims. YCGC had planned to dredge the creek but abandoned the project in 1955.

Territorial Gold Placers Ltd. (TGPL) mined claims upstream on Black Hills Creek between 1975 and 1981.

In 1979, W.A. Peters acquired two leases (5040 and 5051). In 1982, lease 5040 was converted to placer claims (Anne 1 to 51). In 1988, these claims were transferred to Gold Venture Placers, Ltd., which is now called White Gold Ventures, Ltd.

From 1983 to 1989, Queenstake Resources Ltd. mined on some of the TGPL claims. Queenstake moved their camp to Dominion Creek and discontinued operations on Black Hills Creek in 1990.

## 12. 1990 TESTING PROGRAM

A testing program was conducted on the property during August 13, 1990 to September 15, 1990 to attempt to locate a large channel of placer gravel containing at least .4 grams/ton of gold.

a) Location of Test Pits

The test pits were excavated in five basic areas shown in Figure 2. Pits were excavated in Areas 1 and 2 while considerable road work was being done. Areas 3, 4 and 5 are where stripping was done in prior years to help thaw the frozen ground and to complete assessment work. Areas 3, 4 and 5 are also areas of anomalous gold values in drill holes. Figures 3, 4, 5, 6 and 7 show the locations of the pits.

b) Testing Procedures

1) Test Pits and Sampling

Pits were excavated with a backhoe on the back of a John Deere 550 that has a depth capability of 15 feet. The samples taken were composites over the bottom 2 to 3 feet of the pit. The depths of each of the pits are shown in Table 1. Only one sample was taken per pit. No samples were taken from some pits where placer gravel was absent. The samples were screened to -3/4" as 5 gallon buckets were being filled. The buckets were then transported several kilometres on a 4-wheel Honda to camp where they could be further processed.

2) Sample Reduction

Each sample was screened individually over a small shaker screen with spray bars to minus 10 mesh (Tyler scale). The oversize was discarded and the sand was weighted damp. The sample weights are shown in Table 1 in Results. The minus 10 mesh sand was then concentrated to 1 to 3 pounds of concentrate with a spiral concentrator. The concentrates were then taken to the lab for final assaying.

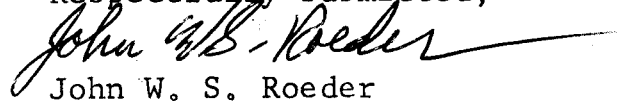
3) Assaying of Concentrates

The concentrates were carefully panned and the gold separated out. This was done by Tony Montague of Interex Development. As each concentrate was panned, notes were made of the amount and size of the gold as well as other metals in the sample. The gold was then weighed and recorded along with other notes on Table 1. To check the efficiency of panning, all tailings were amalgamated together and only 4.20 mg of gold was recovered. This shows the panning to be over 90% efficient. The weighing of gold and the amalgamation was performed by Boise Assayers and Metallurgy Inc.

c) Results

The final results for each sample are shown in Table 1. The value is expressed in U.S. dollars per ton and is calculated using a price of U.S. \$360 per troy ounce. The gold is assumed to have a fineness of 80% and the samples are approximately to 120 pounds each, when calculated back to bank run. The actual samples should all be within 20% of the 120 pound weight.

Respectfully submitted,

  
John W. S. Roeder

Vancouver, B.C.  
November 15, 1991

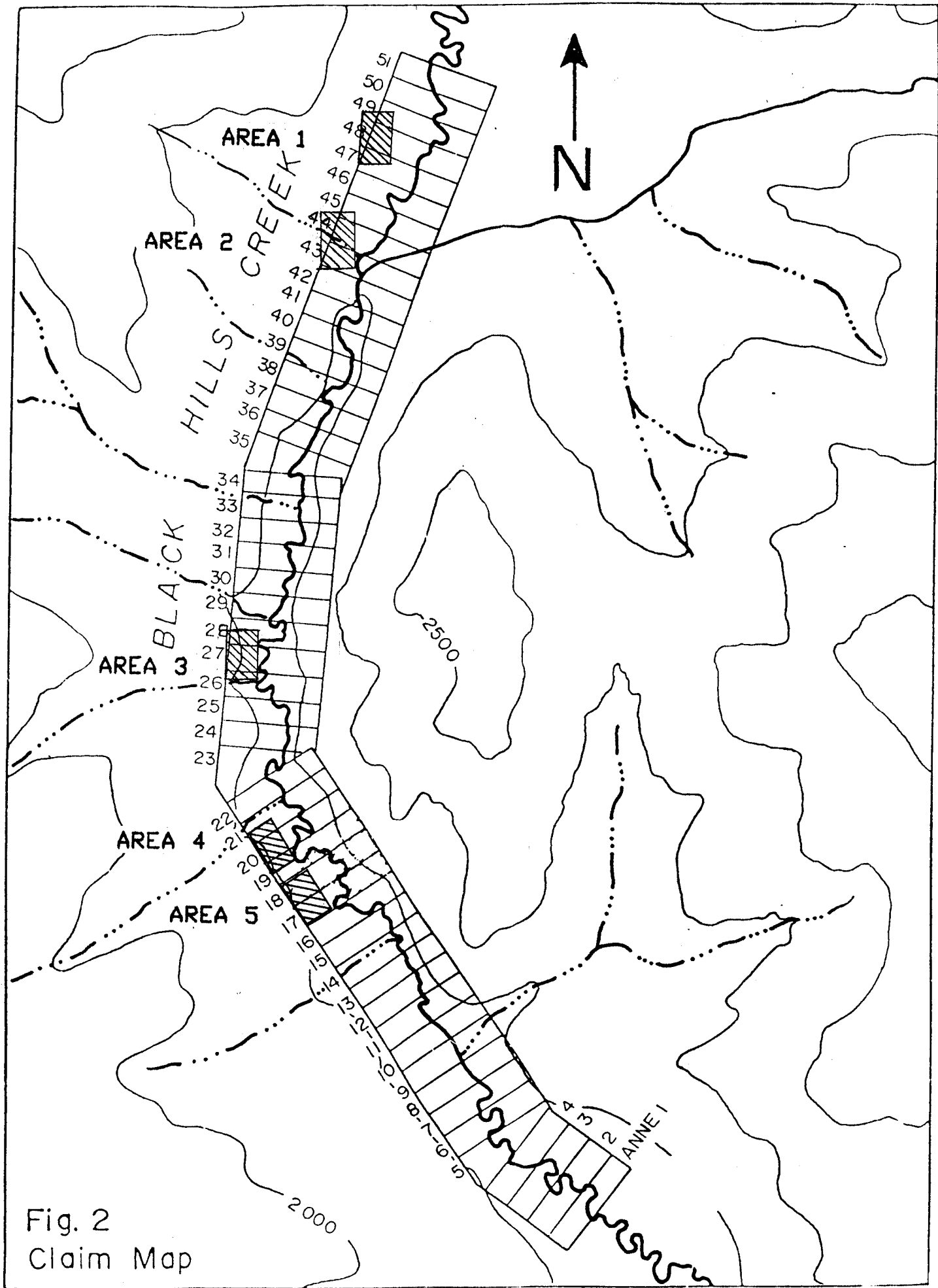


Fig. 2  
Claim Map

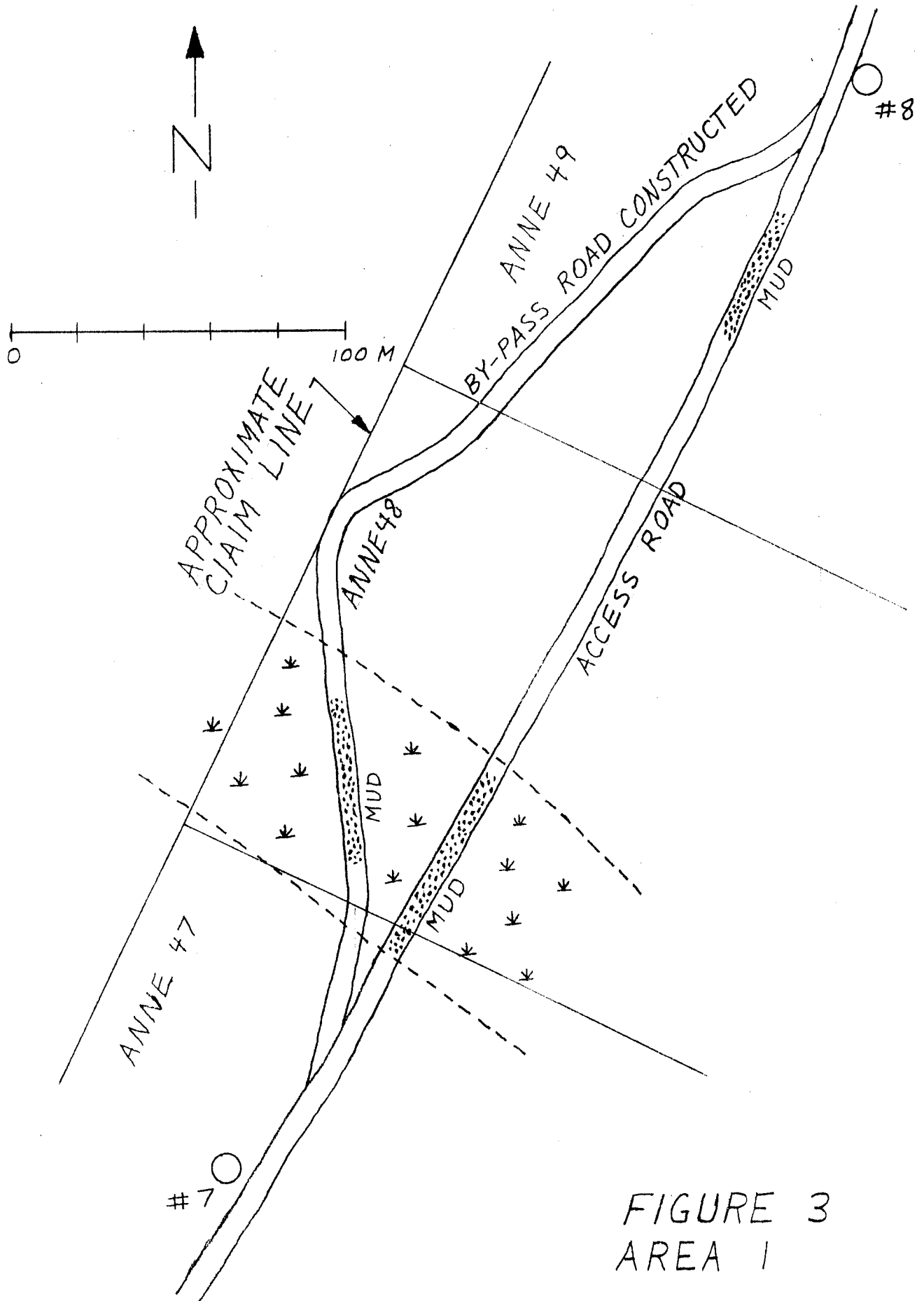


FIGURE 3  
AREA 1

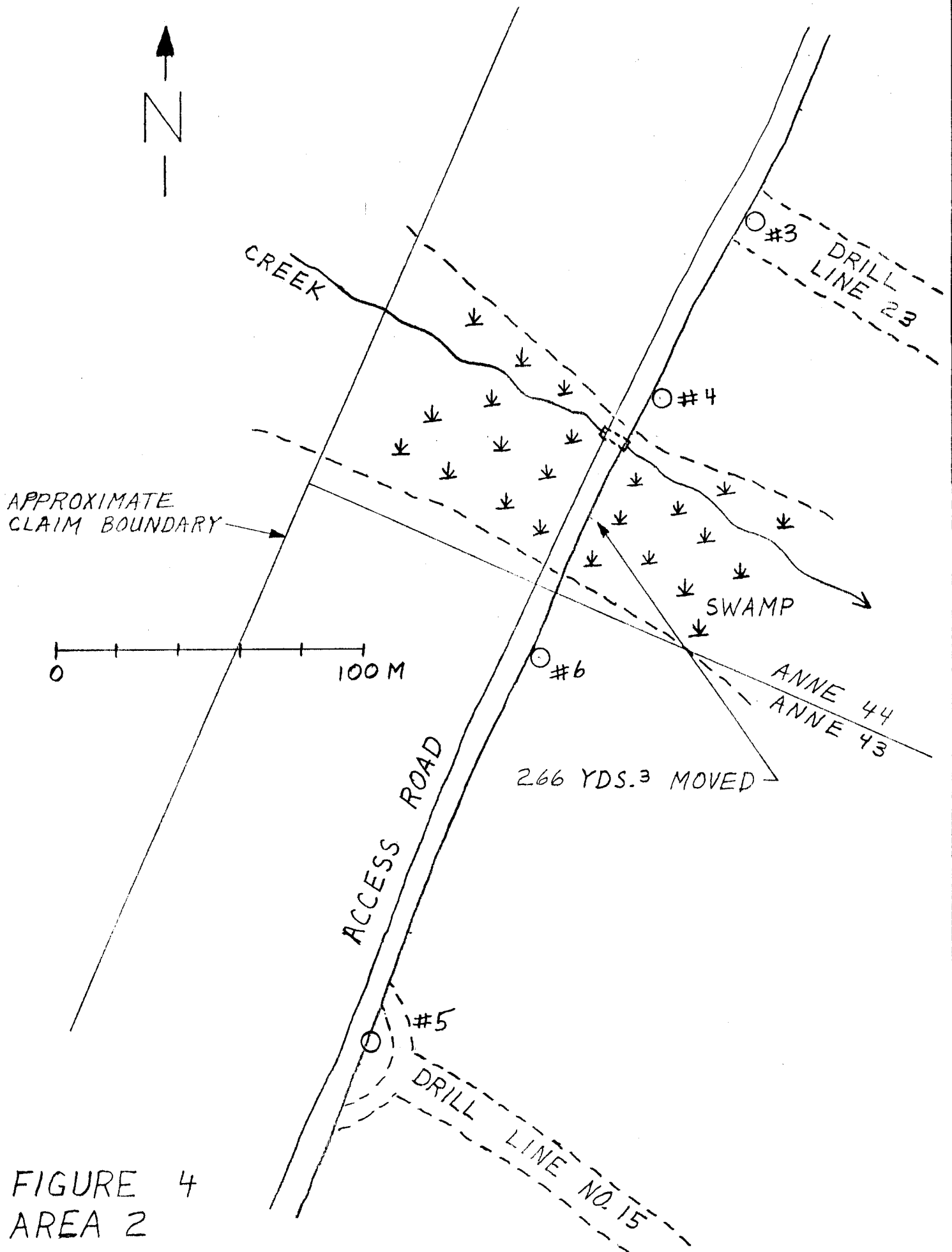


FIGURE 4  
 AREA 2

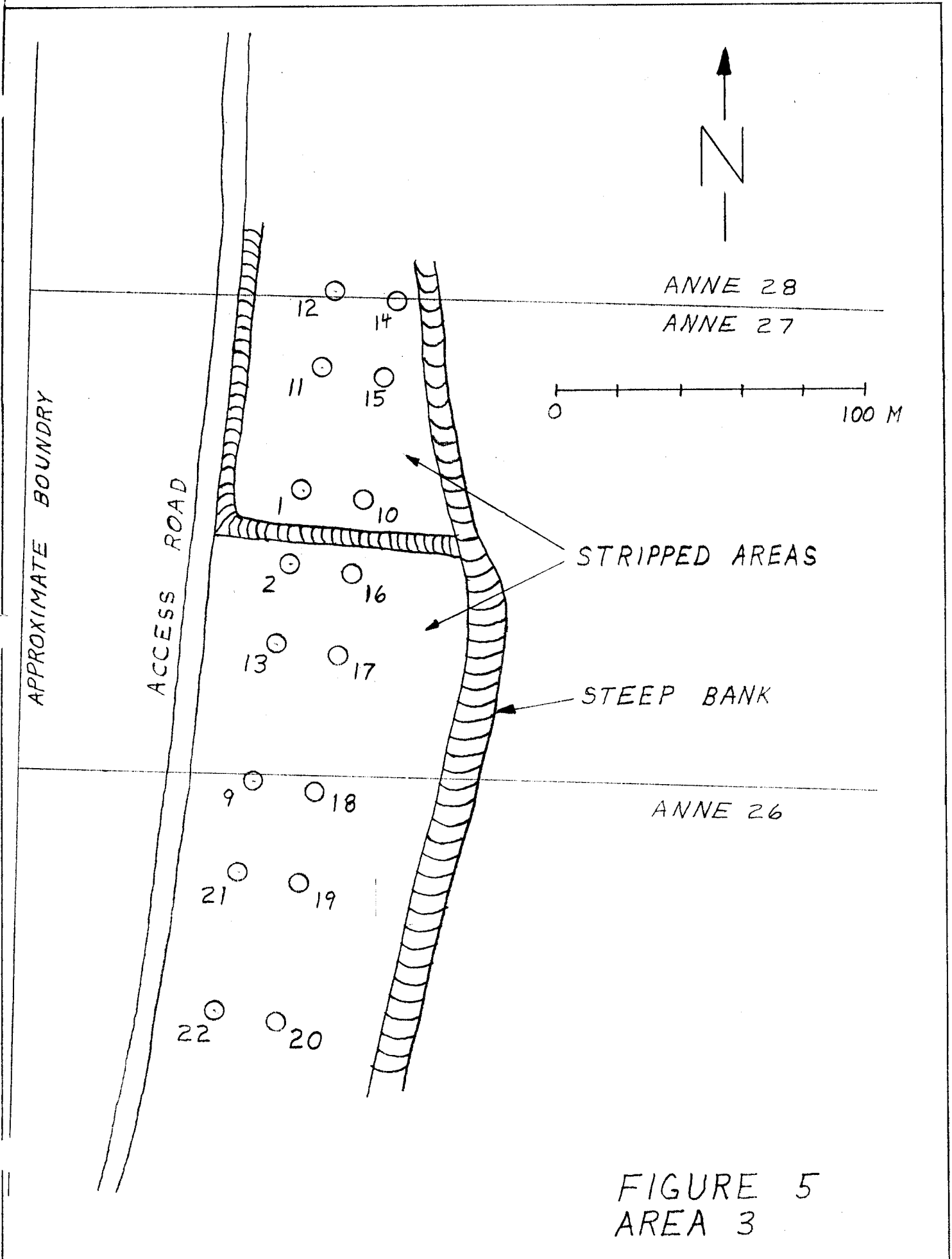


FIGURE 5  
 AREA 3

ANNE 21

ANNE 20

○  
23

○  
24

○  
25

○  
26

○  
27

○  
28

○  
29

○  
30

○  
31

STRIPPED AREA

○  
32

○  
33

○  
34

ANNE 19

DRILL LINE 13

ANNE 18

STEEP BANK

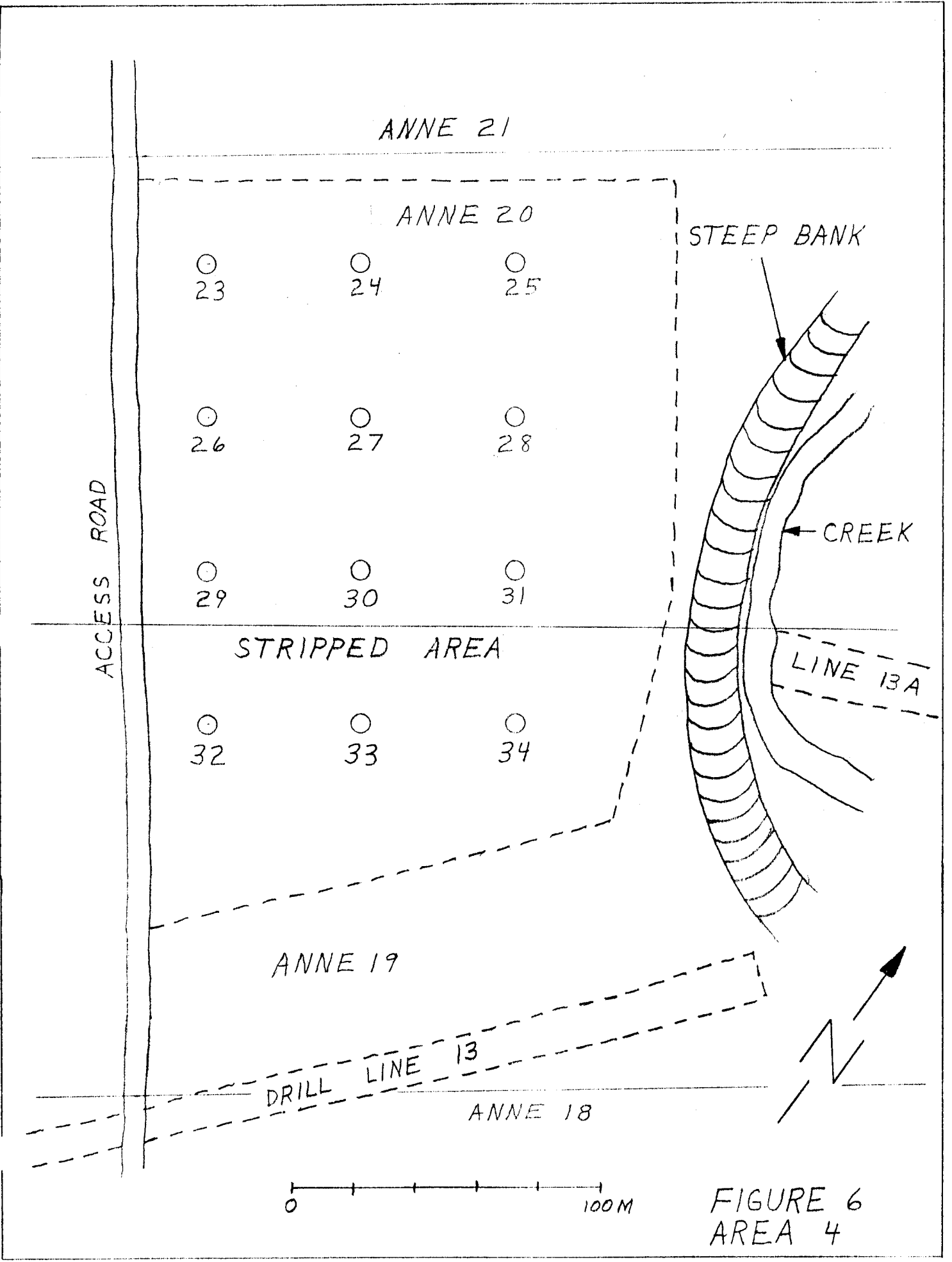
CREEK

LINE 13A

ACCESS ROAD

0 100 M

FIGURE 6  
AREA 4





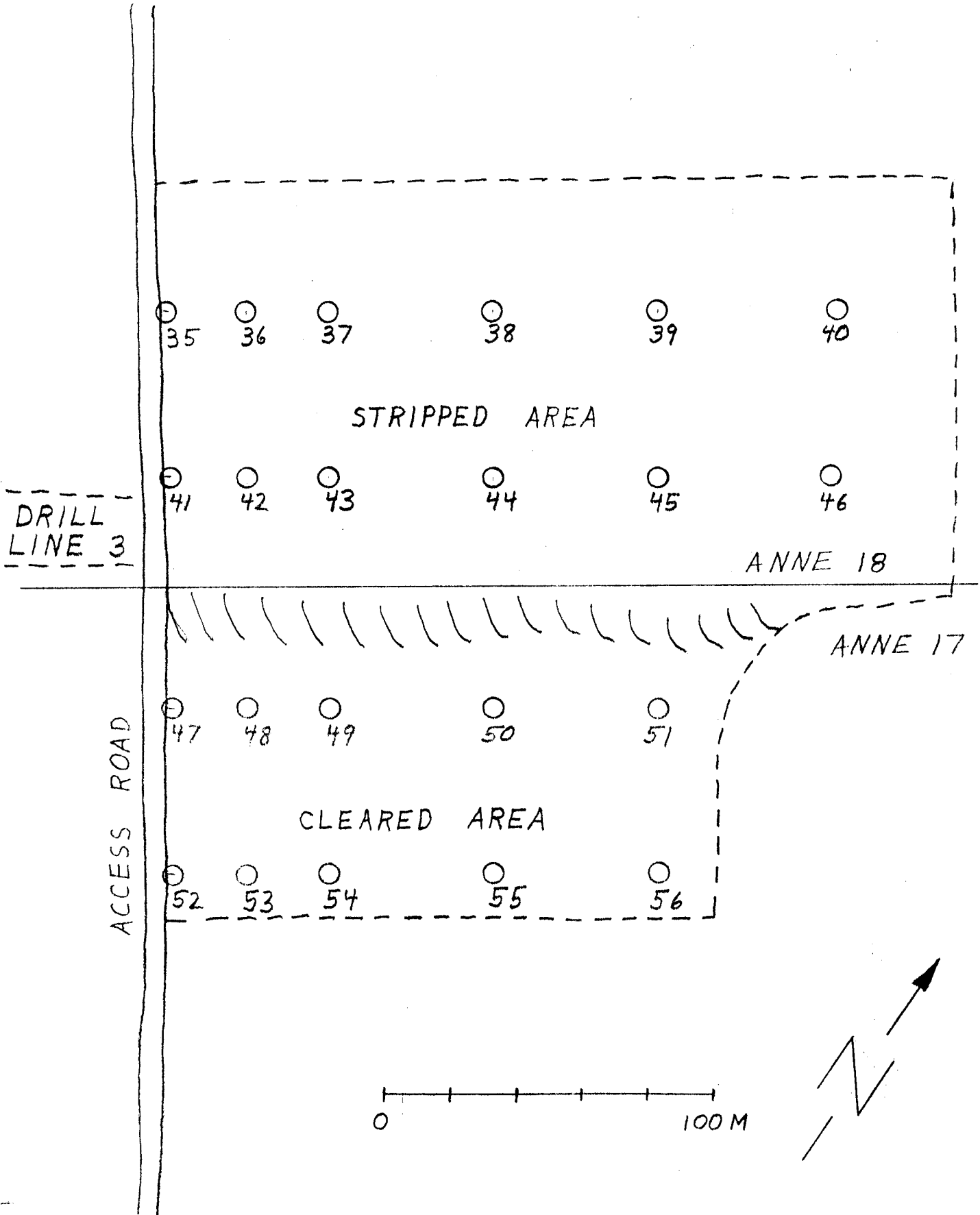


FIGURE 7  
AREA 5

TABLE 1

Pit No.	Depth (feet)	Sample Weight (-10 mesh)	Gold (colors, specks)	Weight of Gold (mg)	Value (U.S.\$/ton)
1	15	37.5	4c, 2s	6.826	\$ 1.05
2	15	36	6c, 5s	6.705	1.03
3	15	38	2c, 3s, Hg	2.272	.35
4	15	13.5	4s	0	0
5	15	16	1c, 3s	1.702	.26
6	15	2.5	0 sulphides	0	0
7	15	20	2c, 1s	1.656	.26
8	8	27	1c	.578	.09
9	15	7	5c	1.916	.30
10	10	11.5	0	0	0
11	9	23	1c	.011	0
12	13	18	1c	.073	.01
13	15	20	3c	2.288	.35
14	12	19	0	0	0
15	10	15	1c, Hg	0	0
16	15	14	1s	.008	0
17	8	18.5	3c, 3s	5.528	.85
18	12	20	6s	.783	.12
19	15	17	1s	0	0
20	15	18.5	3c, 1s	1.161	.18
21	15	16	1c, 1s	.671	.10
22	15	19.5	4c	5.019	.77
23	15	22	2s	.024	0
24	15	18	1c	.014	0
25	15	20	1s	.033	.01
26	15	18	3c, 1s, Hg	.057	.01
27	15	24	1c, 1s, Hg	1.555	.24

TABLE 1 CONT'D

Pit No.	Depth (feet)	Sample Weight (-10 mesh)	Gold (colors, specks)	Weight of Gold (mg)	Value (U.S.\$/ton)
28	15	16	4s, Hg	.017	0
29	15	21	0	0	0
30	15	23	0	0	0
31	15	18.5	1c	0	0
32	15	18	1s	0	0
33	15	15.5	0	0	0
34	15	13	0, Hg	.006	0
35	15	no sample	-	-	-
36	15	no sample	-	-	-
37	15	no sample	-	-	-
38	15	19.5	2s	.007	0
39	15	20.5	1s	.088	.01
40	15	20	0	.009	0
41	15	no sample	-	-	-
42	15	no sample	-	-	-
43	15	17.5	2c, 7s	.933	.14
44	15	18	2c, 3s	1.722	.27
45	15	no sample	-	-	-
46	15	16	0	.010	0
47	15	no sample	-	-	-
48	15	no sample	-	-	-
49	15	no sample	-	-	-
50	15	no sample	-	-	-
51	15	no sample	-	-	-
52	15	no sample	-	-	-
53	15	no sample	-	-	-
54	15	no sample	-	-	-
55	15	no sample	-	-	-
56	15	no sample	-	-	-

## REFERENCES

Bostock, H.S. (1942) - Ogilvie, Yukon Territory; Geological Survey of Canada Map 711A.

Halferdahl, L.A. (1989) - Report on Placer Claims Anne 1 to 51 along Black Hills Creek, South Klondike Region, Yukon for Gold Venture Placers Ltd.

Parker, Ace R. (1981) - Interim Report II, Pilot Plan & Bulk Sampling on Prospecting Leases #5040 and #5051, Black Hills Creek, Dawson Mining District, Klondike Region, Yukon Territory, Canada for Black Hills Gold Ltd.

Power, Mike A. (1990) - A Total Magnetic Field Survey on the Anne 17 to 19 Placer Claims, Black Hills Creek, Yukon, Dawson Mining District, Yukon for Gold Venture Placers, Ltd.

STATEMENT OF COSTS

(for portion of program involving testing)

Supervisor - 11 days at \$350 per day	\$ 3,850.00
Labourers - 2 x 11 days at \$160 per day	3,520.00
Spiral Test Plant rental -- 11 days at \$100 per day	1,100.00
Camp and Equipment rental -- 11 at \$125 per day	1,375.00
Travel within Yukon:	
Semi - 1700 miles at \$2.75/mi	4,675.00
Pick-ups - 7300 miles at \$.12/mi	876.00
Permits	216.47
Test Pits by Backhoe (unfrozen ground) 56 holes - total 802 feet at \$7.50/ft	6,015.00
Stripping of Earth (while building road) 266 yds <sup>3</sup> at \$1.12/yds <sup>3</sup>	<u>295.92</u>
TOTAL	<u>\$21,925.34</u>

List of Employees

John Roeder  
601 E. 46th St., #24  
Boise, ID 83714

Dennis Joseph  
Box 223  
Dawson City, Yukon Y0B 1G0

Ryan Turner  
Box 893  
Dawson City, Yukon Y0B 1G0

Wayne Brown  
R.R. #3, Site 15, Comp. 56  
Kamloops, B.C. V2C 5K1

A. R. Montague  
12166 Hidden Valley Rim  
Boise, ID 83709

Author's Statement of Qualifications

The testing program and this report were written by myself, John Roeder, President of Interex Development Corp., 1003-470 Granville Street, Vancouver, B.C. V6C 1V5. I graduated from Santa Teresa High School in San Jose, California, as valedictorian in 1976. I attended 3½ years of University at San Jose and Chico, California, studying mechanical engineering. I have managed mining operations since 1981 including:

Quartette mine - Searchlight, Nevada - cyanide  
heap leach gold recovery

Gold recovery - gravel pit - Jordan Valley, Oregon

Placer mine - Jordan Creek - Delamar, Idaho

Placer mine - Rocky Bar, Idaho

Placer bulk testing - Similkameen River -  
Princeton, B.C.

Gold recovery testing - Gravel Pits - Vollenueve,  
Alberta

Placer drilling/testing - Barrington River, -  
Glenora, B.C.

I have done placer mining exploration in B.C., Yukon, Alberta, Alaska, California, Oregon, Idaho, Montana, Nevada, Arizona, Colorado, Utah, Costa Rica and Australia. I am also the president of Spiral Engineering, U.S.A., Inc., and hold a United States Patent for Spiral Concentrators. Currently I operate Canadian Clay Products, Inc., of Wilcox, Saskatchewan, Canada's largest bentonite mine.

Panner's Statement of Qualifications

Tony Montague has worked as manager of the Golden Chariot placer mine in Rocky Bar, Idaho, for Roeder Mining, Inc. from 1988 to 1991. He has conducted a feasibility study for Oro Grande Gold at a placer property on the Middle Fork of the Boise River in Idaho. He has also performed all of the preliminary testing for a United State government mineral survey to allow patenting of placer mining claims for Omega Enterprises.

Tony was the president of Middle Ford Associates, Inc., which operated a placer mine on the Boise River for two years in the early 80's.

Tony has assisted the chief metallurgist at Boise Assayers and Metallurgy Inc. on many occasions for many years.



Flow Sheets  
Mill Design

# Boise Assayers And Metallurgy Inc.

650 E. Amity

Boise, Idaho 83705

Ph. (208) 345-6336  
Fax Ph. (208) 384-5429

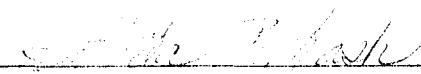
Fire Assays  
Chemical Assays  
Spectrographs  
Fineness Testing

Interex Corp.  
Attn: John Roeder/Tony Montague

December 18, 1990

LAB #	DESCRIPTION	AMALGAMATION		FIRE TAILS		Total Au Oz/T
		Sample wt. grams	Au mg.	Free Au Oz/T	Locked Au Oz/T	
52033		48.24	4.20	2.54	0.167	2.70
52034						

SRK/dmh

  
Stella R. Kash, Lab Manager